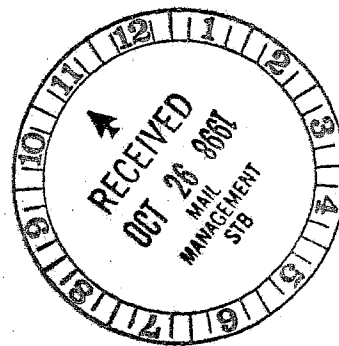


DJJ Transportation Services, Inc.
a subsidiary of
The David J. Joseph Company

October 22, 1998



REGISTRATION NO. 21735 FILED

OCT 26 '98

11-59 AM

RECEIVED
SURFACE TRANSPORTATION BOARD
OCT 26 11 59 AM '98

Mr. Vernon Williams
Recordations Unit
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-001

Dear Mr. Williams:

Enclosed is an original and one copy of the Memorandum of Locomotive Lease dated as of October 6, 1998, and an original and one copy of the Amendment to the Locomotive Lease between the following parties:

Lessee: Central of Tennessee Railway & Navigation Company
10220-E Metropolitan
Austin, TX 78758-7632

→ Lessor: The David J. Joseph Company
300 Pike Street
Cincinnati, OH 45202

REGISTRATION NO. 21735-A FILED
OCT 26 '98 11-59 AM

Please see Exhibit A as set forth in the document for the Equipment involved in this transaction.

Please file the Memorandum of Lease as a primary document, and the Amendment as a secondary document. The \$52.00 fee is included in the check number 448126.

Sincerely,

THE DAVID J. JOSEPH COMPANY

Shelley B. Bacon

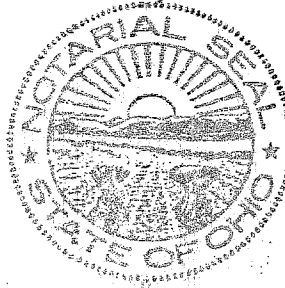
Shelley B. Bacon
Contract Assistant

Enclosures

CERTIFICATE

The undersigned, Shelley B. Bacon notary public in and for the County of Hamilton, State of Ohio, hereby certifies that the copy of the document attached hereto has been compared with the original and that the undersigned has found the copy to be complete and identical in all respects to the original document.

Shelley B. Bacon
Notary Public



SHELLEY B. BACON
Notary Public, State of Ohio
My Commission Expires July 22, 2002

**AMENDMENT NO. 1
TO
LOCOMOTIVE EQUIPMENT LEASE**

OCT 26 '98

11-59 AM

This Amendment No. 1 to the Locomotive Equipment Lease ("Amendment No. 1"), is entered into this 9th day of October, 1998, by and between **DJJ TRANSPORTATION SERVICES, INC.**, a Delaware corporation (hereinafter referred to as "Lessor") and **CENTRAL OF TENNESSEE RAILWAY & NAVIGATION, INC.**, a Tennessee corporation (hereinafter referred to as "Lessee"), amending that certain Locomotive Equipment Lease dated October 6, 1998 (hereinafter referred to as the "Lease") by and between Lessor and Lessee.

WHEREAS, the Lease and this Amendment No. 1 will be filed for recordation with the Surface Transportation Board ("STB") at the same time.

WHEREAS, the parties desire to amend the Lease as follows:

1. The name of the Lessee is amended by changing it from **CENTRAL OF TENNESSEE RAILWAY** to **CENTRAL OF TENNESSEE RAILWAY & NAVIGATION COMPANY, INC.**
2. Section 8 is deleted in its entirety and replaced as follows (underlined language indicates addition):

8. TAXES AND OTHER ASSESSMENTS. Lessee shall be responsible for, and shall indemnify and hold Lessor harmless from, all taxes (including, without limitation, ad valorem, sales, use or other taxes, duties, impositions, assessments or charges excluding only any federal income taxes of Lessor or any state or local taxes imposed upon or measured by net income of Lessor), currently or hereafter levied or imposed by any state, local, federal or foreign authority (all such expenses, taxes, license fees, assessments and charges being hereinafter called "Assessments") upon or in connection with or measured by this Lease or imposed upon the Equipment or for the possession, rental, shipment, delivery, use or operation thereof or on the earnings arising therefrom (except as provided above) all of which Assessments Lessee assumes and agrees to pay on demand as additional rent hereunder. Lessee will keep at all times all and every part of the Equipment free and clear of all Assessments which might in any way affect the title of Lessor to the Equipment or result in a lien upon the Equipment. With respect to Lessee's state and county use taxes incurred from using the Equipment solely in the State of Tennessee (intrastate), Lessee agrees that Lessor shall include on the monthly rental invoice, State of Tennessee use taxes at the rate of 6% of the monthly Base Rental and County of Davidson use taxes at the rate of 2.25% of the monthly Base Rental. Such county taxes shall not exceed \$36.00 in total for the Term of the Lease. Lessor agrees to be responsible for paying such taxes directly to the State of Tennessee and County of Davidson on Lessee's behalf.

3. All other terms and conditions of the Lease remain unchanged and in effect.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to be executed as of the day and year first above written.

Signed and acknowledged
in the presence of:

Linda M. Baughman

LESSOR

DJJ TRANSPORTATION SERVICES, INC.

BY: James H. Goetz

NAME: James H. Goetz

TITLE: Vice President

DATE: October 9, 1998

Signed and acknowledged
in the presence of:

Christine Longwood

LESSEE

**CENTRAL OF TENNESSEE RAILWAY &
NAVIGATION COMPANY, INC.**

BY: Donald L. Chatham


NAME: Donald L. Chatham

TITLE: General Manager

DATE: 15 Oct 98

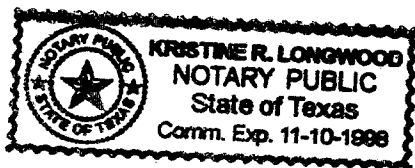
STATE OF OHIO)
)
COUNTY OF HAMILTON)
) SS:

The foregoing instrument was acknowledged before me this 9th day of October, 1998, by James H. Goetz, the Vice President of DJJ Transportation Services, Inc., a Delaware corporation, on behalf of the corporation.

Shelley B. Bacon
Notary Public
SHELLEY B. BACON
Notary Public, State of Ohio
My Commission Expires July 22, 2002

STATE OF Texas)
)
COUNTY OF Travis)
) SS:

The foregoing instrument was acknowledged before me this 9th day of October, 1998, by *Donald Cheatham*, the *General Manager* of Central of Tennessee Railway & Navigation Company, Inc., a Tennessee Delaware corporation, on behalf of the corporation.



Kristine R. Longwood
Notary Public